



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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November 3, 2000

TO: Minerals File

FROM: Tom Munson, Reclamation Specialist 

RE: Meeting Notes, Mammoth Mining Company, Mammoth Mine, E/023/033 & S/023/041,
Juab County, Utah

Date of Meeting: October 27, 2000 and October 30, 2000

Time of Meeting: 10:00 a.m. and 3:00 p.m. respectively

Participants: Spenst Hansen, Mammoth Mining; Wayne Hedberg, Tom Munson, DOGM; Mark Mesch, AML Program

Purpose of meeting: To discuss the reclamation requirements regarding Mammoth Mining Company.

On 10/27/00 and 10/30/00 meetings were held with Mr. Spenst Hansen of Keystone Surveys and Mammoth Mining Company. The issue of the reclamation responsibilities of the two permits (E/023/033 and S023/033) that Grand Central Mining transferred to Mr. Spenst Hansen was discussed in some detail.

10/27/00 meeting

This meeting held at the Division offices was attended by Spenst Hansen, Wayne Hedberg, and Tom Munson. This meeting was to provide Mr. Hansen with a forum to discuss why he had not responded to the Division's September 21, 2000 letter. Mr. Hansen apologized to us stating that his mother had passed away less than a month ago and he was very involved in the funeral arrangements, etc. associated with her passing.

Mr. Hansen mentioned the limited budget he was operating on now and would like us to take this into consideration. He stated that he had been working hard all summer cleaning up the Mammoth property, especially the scrap metal. One of the potential areas of concern was the hazardous chemicals that he states have been moved to from the now defunct assay lab to a locked concrete shed. Another assay lab company has been contacted to take away the chemicals.

Mr. Hansen stated that he was going ahead with the closure of the Grand Central as approved by the Division. He also stated that the Lower Mammoth tunnel is secured but not sealed.

According to Mr. Hansen, the Securities Exchange Commission approved this week his plan to sell stock in a company called the "Mammoth Town Development Corporation". This is part of his master plan

for the Mammoth Area including a skiing venue, underground mine tour, etc. He also mentioned turning the Assay lab Building into a Pottery firing studio

The major points of the meeting revolved around Mr. Hansen wanting to become involved with Abandoned Mine Lands (AML) to close his sites. Mr. Hedberg stated that Mr. Hansen needed to converse with Mark Mesch of AML so that he could ascertain what might transpire between AML and himself. The other major point brought up in the meeting was that the Division is concerned about closing these openings. We need to resolve what problems there are and move forward as expeditiously as possible. It was highly recommended that Mr. Hansen talk with Mr. Mesch of the Abandoned Mine Program as soon as possible. It was also mentioned that a Board action would be necessary if this matter was not resolved.

Mr. Hansen agreed to provide a response by November 13, 2000. He also left the following phone numbers to contact him.

Mammoth (435) 355-6611 and fax (435) 433-5611

Salt Lake City (801) 355-6044 and American Towers Fax # (801) 355-6041

10/30/00 meeting

This meeting was also held at Division offices at 3:00 p.m. In attendance were Spenst Hansen, Mark Mesch, and Tom Munson. The meeting started with Mr. Mesch stating that this was the third time he has met with Mr. Hansen. The meeting centered around the hazards of open adits and shafts on Mr. Hansen's property and the surrounding properties. Mr. Mesch stated that AML was willing to sign a contract with Mr. Hansen if he was willing to resolve the permitting concerns with the Minerals Reclamation Program.

The focus of the AML program would be to do the work and Mr. Hansen would pay for anything he was responsible for. Mr. Mesch stated that their work was totally safety related, and that AML's focus was to reclaim all the openings in an area and not leave anything open, for consistency. Mr. Mesch also stated that AML could go to other parts of the state, if necessary, and work on other projects if all the issues surrounding Mr. Hansen's property and the Minerals Program could not be resolved. Mr. Hansen was again reminded of the liability he has on his property regarding mine hazards. AML would not do any work whatsoever, unless the Minerals Program permits were satisfied.

Mr. Mesch left the meeting, then Mr. Hansen discussed with me the status of the 29 openings and whether mechanized equipment had been used to establish these openings. Mr. Hansen and I agreed that inspections of those openings, that were in dispute regarding the use of mechanized equipment, was essential in order to move the project forward. Mr. Hansen stated that he was willing to take responsibility for all openings he has worked on and hopefully have AML do the work.

jb
cc: Spenst Hansen, Mammoth Mining
Mark Mesch, AML
Wayne Hedberg, Minerals
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